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Book Reviews

The Economic Causes of War. By LIONEL ROBBINS. Jonathan Cape.
1939. 124 pp. 5s.

The title of this book suggests that Professor Robbins is concerned to estimate the importance of the alleged economic causes, but in fact—and his work is none the less useful on that account—his more important objective is to establish the conclusion that “it is the chaos of independent sovereignties which is the ultimate condition of international conflicts”. To some extent he disarms critics who might like a more exhaustive examination of some of the economic theories of war causation by disclaiming beforehand any pretension to have produced “a full-blown treatise”, and it is much to be desired that those who may not be fully convinced by all his critical analysis of other people’s views should ponder carefully his own more positive analysis, which without doubt goes to the heart of much that has been both important and obscure in recent history. There has been much confusion in popular discussions of this subject merely on account of ambiguity in the use of terms, and readers of this book will more readily in the future avoid the errors engendered by such ambiguity.

Professor Robbins first criticises directly the theory that all important international frictions are due to the existence of the capitalist form of society, showing incidentally that it is not easy to discover a statement of this theory to which all of its adherents will subscribe. He deals in more detail with the underconsumption form of the theory, associated for English readers mainly with the name of J. A. Hobson, and the Leninist theory which presents war as the inevitable outcome of the struggle of capitalists to avert the secular tendency to a falling rate of profit. It is to be feared that this analysis may not be entirely convincing to ardent devotees of either school, for limitations of space compel a high degree of selectivity in dealing with details. We are, in effect, urged to study and absorb the conclusions of Staley and others who have handled this theme, and no doubt both Hobsonians and Leninites would do well to act upon this advice, especially if in so doing the difficulties of interpreting the present conflict in terms of either theory were forcibly impressed upon their attention. It is scarcely possible seriously to maintain that the expansive policies of Germany, Italy or Japan in recent years have been motivated by any eagerness to find outlets for superfluous capital which could not be invested advantageously at home, while such fears of the secular

tendency to falling profits which may have afflicted the mind of the British capitalist made the idea of appeasement much more attractive to him than the idea of war.

The capitalist himself, who might be disposed to welcome warmly the certificate of good conduct which seems to be offered to him in the early sections of this book, should however postpone any rash expressions of complacency until he has read Chapter IV, where Professor Robbins develops his own ideas of the economic causes of war. According to him, the truth is the exact opposite of the Marxian thesis that the institutions of the market tend inevitably to breed international conflict, a much more fertile soil for that deadly crop being provided by the efforts of vested interests (capitalist and others) to resist the indications given by market movements, and to practise restrictionist policies for the benefit of their own sectional interests. The obvious connection between recent Japanese policy and the almost world-wide restrictions on the sale of Japanese exports is a clear case in point. As Professor Robbins observes, this may have little bearing on our views of the justice of the Japanese attack on China, but, it may be added, it is highly relevant to our judgment of the restrictionists who apparently are not altogether sorry to see Japan headed off in that direction. "The *raison d'être* of the struggle for national power, in so far as it is economic in origin, is fear of other nations' restrictions," and it is because the machinery of sovereign national states is so easily adapted to the use of those who wish to make restrictionist policies effective that sovereignty must be regarded as the enemy upon whom our fire should be concentrated.

The task of exploring all the repercussions, direct and indirect, of the efforts of vested interests of all kinds to ensure stability for themselves, without considering whether such efforts do not entirely destroy the chances of stability for other people, is without doubt of the greatest importance, and Professor Robbins' contribution merits the closest attention, not least from those who do not share his general point of view on practical economic policy. In a more exhaustive analysis, something more might be said of the attractions which colonial empires have, both for the "haves" and the "have-nots", as offering opportunities for lucrative employment in governmental or semi-governmental service, a point of view which is also probably not without influence in the minds of those who urge that the migration which was suitable to the 19th century should also be continued in the 20th century, when what they really mean is that migration will be a convenient method for removing inconvenient competitors who, if they stayed at home, might encroach upon the traditional privileges of others.

No serious thinker now pretends that a simple answer can be found for the question of the causation of war. But especially when the problem has such a pressing urgency, it is clearly important to determine the field within which early action for the prevention of future

wars is most to be desired. Those who are already sympathetic with Professor Robbins' interpretation of international relations will not find the force of his analysis in any way diminished when they observe that much of the attack on the ideas which he is most concerned to propagate comes from people who, consciously or unconsciously, are strongly influenced by just those vested interests which find the framework of the national state such a convenient instrument in building for themselves a structure which will protect them from the pressure of unpleasant market movements.

ALLAN G. B. FISHER.

The Theory of Idle Resources. By W. H. HUTT. Jonathan Cape. 1939. 193 pp. 6s.

"For the promotion of the material welfare of a people few things can be more useful than patient inquiry into the actual meaning of terms like wealth, income, capital, rent, wages, profits, when used in common language by ordinary people. As soon as ambiguities and inconsistencies are commonly perceived, language may be trusted to find some way of ridding itself of them without the assistance of formal definitions." Thus wrote Edwin Cannan in his article on "Definitions" in *Palgrave's Dictionary of Political Economy*. Professor Hutt, whose appendix to the first chapter of his book reveals his acquaintance with Cannan's article, has with most commendable patience set himself to sort out the different concepts which lurk under the name of Idleness, and has very usefully displayed to us how essentially different they are. His essay ought to be widely read. It will help to clear the minds of students and of policy-makers. Moreover, it ought to be read without delay, and referred to continually by anyone who feels he has reached the age at which he has to keep on learning the same lesson over and over again. For there is a widespread and growing determination to seek out the idle resources in our economic system and to set them to work; a determination which is surely praiseworthy so long as we recognise idleness when we see it, and in our anxiety to abolish it do not confuse with it many other things which it is even more vital to preserve.

Professor Hutt draws his distinctions, for the most part, with an admirable combination of clarity and subtlety. In these days of much confused thinking and writing about surplus capacity, his emphasis upon the service of 'availability' continuously rendered by a wide range of apparently idle capital goods—those in "pseudo-idleness"—is particularly timely. So also are his strictures upon policies designed to bring back obsolete and other "valueless" resources into use. He succeeds in distinguishing several other conditions, "preferred idleness", "participating idleness", "enforced idleness", and "aggressive idleness", and also "withheld capacity", all of which present peculiar problems which demand different